

VZCZCXRO3946
RR RUEHAT
DE RUEHTC #2533/01 3351401
ZNR UUUUU ZZH
R 011401Z DEC 06
FM AMEMBASSY THE HAGUE
TO RUEHC/SECSTATE WASHDC 7568
INFO RUEHAT/AMCONSUL AMSTERDAM 1906

UNCLAS SECTION 01 OF 03 THE HAGUE 002533

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STATE FOR EB/IFD/OMA, JO ANN HINTON, AND FEDERAL RESERVE
BOARD, CAROLYN DRACH

E.O. 12958: N/A

TAGS: [NL](#) [TSPA](#) [OTRA](#)

SUBJECT: COUNTRY CLEARANCE GRANTED FOR FEDERAL RESERVE
SYSTEM OFFICIALS BIMAL B. GOEL AND PAUL STERNHAGEN -
DECEMBER 9-16, 2006

REF: STATE 193569

¶1. Country Clearance is granted for December 9-16, 2006
visit to the Netherlands of Bimal B. Goel, Senior Examiner;
and Paul Sternhagen, Analyst, from the Federal Reserve Bank
of Chicago, to meet with the management of ABN AMRO Bank, NV,
and Dutch Regulators related to implementation of Basel II.

¶2. Embassy understands that no assistance is required.

POST ACCESS:

¶3. Visitors who need unescorted access into secure areas of
the Mission must provide proof of a clearance. If level of
clearance was not provided in the original country clearance
request it should be done by separate cable. The cable
should include SSN, and the name of the agency granting the
security clearance. Cables must include the ASEC tag to
ensure distribution to the RSO office.

COMPUTER AND ELECTRONICS USE:

¶4. Inter-agency security standards prohibit the introduction
or use of non-USG owned computer hardware and software at all
USG diplomatic facilities. Cell phones, palm pilots, radios
and other convenience electronics are prohibited in all
secure areas of the Mission.

¶5. Travelers who anticipate having special needs in terms of
either access or computer usage should contact the RSO office
before arriving at post.

Security ADVISORY:

¶6. The Government of the Netherlands (GoN) assesses the
threat level of a terrorist incident for The Netherlands as
&substantial.8 This is the second highest of four threat
levels and is defined as a realistic threat that the
Netherlands will experience a terrorist attack. GoN has
implemented Counter-Terrorism and heightened security
measures in response.

¶7. US citizens in The Netherlands are encouraged to monitor
media reports, to maintain a high level of vigilance and to
take appropriate steps to increase their security awareness.
American citizens should bear in mind that even
demonstrations intended to be peaceful can turn
confrontational and possibly escalate into violence.
American citizens are urged to avoid areas of demonstrations
if possible, and to exercise caution if within the vicinity
of any demonstrations.

¶8. The U.S. Government remains deeply concerned about the

heightened possibility of terrorist attacks against U.S. citizens and interests abroad. As noted in the Department of State's Worldwide Caution of October 11, 2006, terrorists do not distinguish between official and civilian targets. Such targets may include facilities where U.S. citizens and other foreigners congregate or visit, including residential areas, clubs, restaurants, places of worship, schools, hotels and public areas. Terrorist actions may include, but are not limited to, suicide operations, assassination, hijackings, bombings or kidnappings. These may involve aviation and other transportation and maritime interests.

¶9. An area of concern for visitors to The Netherlands is crime. Most crimes against officials Americans are limited to pick-pocketing and purse and luggage theft. Theft from automobiles and hotel rooms are also on the rise. Theft of laptop computers has increased, especially at Schiphol Airport and major train stations. The thieves operate in small groups that target travelers. They are determined and well-practiced at distraction theft. Official travelers have been victimized, losing personal or unclassified government computers, software and data. Travelers are reminded that regulations require the use of the diplomatic pouch for shipment of classified equipment and information.

¶10. Streets can be walked in relative safety but, as in any U.S. urban area, caution and vigilance should be exercised especially after dark in the more populated cities of The Hague, Amsterdam and Rotterdam. Red-light districts and public transportation hubs are common locations for incidents of street crimes.

OVERVIEW OF THE NETHERLANDS

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¶11. The Netherlands is slightly less than twice the size of New Jersey and has a population of 16.3 million. The government is a constitutional monarchy with a bicameral parliament. Queen Beatrix is the titular head of state and has mostly ceremonial duties, but does retain some political influence. Prime Minister Jan Peter Balkenende came to power in 2002, but his first cabinet lasted less than a year. After winning reelection, Balkenende built a center-right coalition that collapsed in August 2006, as it entered its fourth and final year in office. Balkenende continues to govern with a minority government (comprised of his Christian Democratic (CDA) and the Liberal (VVD) parties). Elections are scheduled for November 22 and are predicted to be a dead heat between Balkenende's CDA and opposition Labor (PvdA) parties.

¶12. The Dutch economy depends on trade; Amsterdam's Schiphol Airport (Europe's fourth busiest) and the Port of Rotterdam (Europe's largest) make the country a gateway to Europe. The Netherlands is the third largest source of foreign direct investment in the United States and is the third largest destination of foreign direct investment from the United States. GDP is expected to grow by 2.5 to 3 percent in 2006, which puts the Dutch ahead of eurozone averages for the first time in seven years. Unemployment has fallen to 5.5 percent.

¶13. The Dutch generally take similar approaches to the U.S. on international security, human rights, free trade, and rule of law issues, although differences on specific policies are not uncommon. The Dutch are committed internationalists who support strong transatlantic ties through NATO and the further development of the European Union. Long active in peacekeeping missions in the Balkans, Dutch military forces participated in Operation Enduring Freedom, made significant contributions to stabilization efforts as part of Operation Iraqi Freedom, and continue to take part in NATO's International Security Force in Afghanistan. The Netherlands is also an international legal center and hosts the International Court of Justice, the Iran-U.S. Claims Tribunal and the International Criminal Tribunal for the Former

Yugoslavia.

¶14. The Netherlands is among the world's leading aid donors, giving about 0.8% of its gross national product annually in development assistance, making it the sixth largest donor nation in dollar terms, and the fifth most generous relative to GNP. The country consistently contributes large amounts of aid through multilateral channels for education, the environment, water, AIDS, and reproductive health care. The Dutch provided extensive material support and expertise to the New Orleans area following Hurricane Katrina thanks to centuries of experience in holding back the North Sea.

¶15. The people of the Netherlands are predominantly ethnic Dutch but with large minority communities from Morocco and Turkey as well as from the Netherlands' current and former overseas territories of the Dutch Antilles, Suriname, and Indonesia. The influx of immigrants during the past three decades has been accompanied by increased social tensions between native-born Dutch and immigrant communities and led to growing debate about social integration and an increased emphasis on defining Dutch norms and values. The Muslim community in the Netherlands is the second largest in Western Europe as a percentage of the population (6 percent). The majority are immigrant & guest workers⁸ and their descendants; roughly a third of the Muslim population is of Turkish descent, with another third of Moroccan descent. In order to better explain our policies and gauge the Muslim community's concerns, the embassy has placed a high priority on Muslim outreach.

¶16. The U.S. Mission to the Netherlands, including the Embassy in The Hague and the Consulate General in Amsterdam, has employees from the Departments of State, Commerce, Agriculture, Justice, Homeland Security, and Defense, as well as DEA and NASA. DHS's Immigration and Customs Enforcement (ICE) and Customs and Border Protection (CBP) maintain offices in Rotterdam and at Schiphol Airport. The FBI legal attach and U.S. Secret Service Europol liaison are stationed in The Hague. The Consulate General in Amsterdam serves a resident American population of 41,000 in addition to nearly one million U.S. visitors every year.

The State Department's Country Background Notes on the Netherlands are available on the internet:
<http://www.state.gov/r/pa/ei/bgn/3204.htm>.

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